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February 26, 2001

National Highway Traffic Safety Administration
Docket Management
Room PL-401
400 Seventh St., SW
Washington, D.C. 20590
Attention: Jennifer Timian
Office of Chief Counsel

Docket No. NHTSA-2000-8509 — 4

Dear Ms. Timian,

Attached please find comments filed on behalf of the Rubber Manufacturers Association (RMA) in NHTSA Docket Number NHTSA-2000-8509. If you should have any questions, please feel free to contact me.

Sincerely,

Ann Wilson

Vice President

Jun Wilson

Comments of the Rubber Manufacturers Association on Pit 2: 32

Notice of Interim Final Rule on Reporting the Sale or Lease of Defective or **Noncompliant Tires**

National Highway Traffic Safety Administration U. S. Department of Transportation

> **Docket No. NHTSA-2000-8509** February 26, 2001

Staff Contact Ann Wilson, Vice President **Government Affairs Rubber Manufacturers Association** 1400 K Street, N.W. Washington, D.C. 20005 (202) 682-4837

The Rubber Manufacturers Association (RMA) is a national trade association representing the tire and rubber products manufacturing industry. RMA members include every major U.S. tire manufacturer: Bridgestone/Firestone, Inc., Continental Tire Inc., Cooper Tire & Rubber Company, Goodyear Tire & Rubber Company, Michelin North America, Pirelli Tire North America, and Yokohama Tire Corporation. There are over 1 billion tires in use on our nation's highways and these manufacturers produce the overwhelming majority of them. They operate 40 manufacturing facilities and employ almost 160,000 people in this country.

The TREAD Act (Public Law 106-414) passed Congress last October and was signed into law on November 1, 2000. The TREAD Act mandates that the National Highway Traffic Safety Administration (NHTSA) promulgate a number of regulations on motor vehicle safety and related information. The tire industry supported passage of the TREAD Act and will continue to work with NHTSA to enact responsible regulations.

On December 26, 2001 NHTSA filed a request for comments on the interim final rule entitled Motor Vehicle Safety: Reporting the Sale or Lease of Defective or Non-Compliant Tires (Docket No. NHTSA-2000-8509). This rule was required by the TREAD Act. The tire industry applauds NHTSA's efforts to conform to the time limits established by the TREAD Act and will work with NHTSA and tire and automobile dealers to assure compliance with the letter and the intent of the regulations.

The regulations requires in part: "... any person who knowingly and willfully sells or leases for use on a motor vehicle a defective tire or a tire which is not compliant with an applicable tire safety standard with actual knowledge that the manufacturer of such tire has notified its dealers of such defect or noncompliance as required under 49 U.S.C. 30118(c) or as required by an order under 49 U.S.C. 30118(b) must report such sale or lease to the Associate Administrator for Safety Assurance." NHTSA makes it clear that the agency expects the reporting requirements to impact tire or vehicle dealers who sell or lease tires for use on a motor vehicle. The sale or lease of a new vehicle with a defective or noncompliant tire is already prohibited by 49 U.S.C. 30120(i). The interim final rule fails to cover the sale or lease of used vehicles equipped with defective or noncompliant tires. The agency specifically states that the statute does not intend to cover these transactions. However, the tire industry urges NHTSA to assess whether or not they have authority to require reporting of transactions involving the sale or lease by a commercial entity of a used vehicle equipped with noncompliant tires. These measures would greatly assist the motoring public since these tire transactions are more difficult to track.

Secondly, the industry urges NHTSA to clarify the rule with respect to a tire for which the manufacturer has a pending request for a determination of inconsequential defect or noncompliance pursuant to 49 U.S.C. Sec. 30118(d). Petitions for inconsequential defect or noncompliance occur for a wide variety of reasons, none of which are considered as a "defect" either historically or as used in the TREAD Act. These petitions are granted when the noncompliance is of a technical rather than a substantive nature. Tire manufacturers commonly file and are granted such petitions for the mislabeling of the tire sidewall, particularly with regard to the week of tire production. Tire manufacturers have five days to report a noncompliance and thirty days to submit a petition for determination of inconsequential noncompliance. Therefore, RMA would urge the agency to consider a tolling of the reporting requirements until a petition for inconsequential noncompliance is filed and ruled upon, and an exemption of the reporting requirements for tires that ultimately receive an inconsequential determination.

RMA would be happy to answer any questions the agency may have regarding these comments.